

TCEQ, Air Permits Division
Advisory Group on the 8 Hour Ozone Standard and New Source Review Reform
October 8, 2004
9:00 AM
Austin

Minutes

I Opening Remarks Richard Hyde

II Background or Update Information Kurt Kind

The stakeholders were advised that in both cases of the 8 hour ozone standard and NSR reform the TCEQ could implement the federal rule with little or no changes or could integrate the federal requirements with existing state rules. This was particularly applicable to the subjects of actual to projected actual emissions (APA) and plant-wide applicability limits (PAL) where the state has rules currently in place concerning similar subjects.

III Discussion Topics

8 Hour Ozone Standard and Netting Requirement.....Open Discussion

Three options were offered to the stakeholders for implementation of new source review netting procedures under an 8-hour ozone standard:

Establish 40 TPY significance level to trigger netting for a project and establish a 5 year contemporaneous netting period for all sources.

Maintain 5 TPY netting trigger but provide for a 5 year contemporaneous netting period for all sources.

Make minimal changes - integrate 5 new DFW NA counties into current rules.

Comments from the stakeholder group generally favored a rule change that would closely parallel federal requirements: 40 ton per year netting trigger and 5 year netting period.

The group voiced general support for staying close to federal requirements for consistency across state lines.

The staff suggested that a five ton per year (tpy) netting trigger be retained (currently in TCEQ rules) for Serious and Severe ozone nonattainment areas. There were no negative comments from the group

concerning this idea. Under the 8-hour standard Texas would not initially have any areas in these classifications.

At least three members of the group supported dropping the requirement for NOx netting in the cap and trade area (Houston). One of those individuals suggested that non-attainment new source review also be discontinued where cap and trade was in effect, but the justification for that elimination would be difficult.

There were questions on the pending 8 hour ozone reconsideration by EPA and how it might affect 8 hour ozone implementation.

TCEQ staff will continue with rule development based on a 40 tpy net trigger and 5 year net period. The rule would also have a 5 tpy net trigger for serious and severe areas.

Clean Unit Permits.....Open Discussion

Pollution Control Projects.....Open Discussion

The group spent a significant amount of time discussing the implementation of the pollution control project proposal so there would still be an opportunity to generate creditable reductions.

Baseline Emission Determination..... Open Discussion

Actual to Projected Actual Emissions.....Open Discussion

There was little comment on actual to projected actual emissions..

Plant-wide Applicability Limit.....OpenDiscussion

After limited discussion, the group seemed to be in general agreement that the inclusion of malfunction emissions in baseline, APA and plant-wide applicability limit (PAL) was a challenge.

The group seemed to agree that there were disadvantages to the EPA PAL for sources under flexible permit. There were suggestions to allow for both the EPA and integrated versions. There was a suggestion of having the initial PAL based on 10 year old best available control technology

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IV Closing Remarks/Action Items Beecher Cameron

Staff will likely offer the chance for a second stakeholder meeting on NSR reform. Stakeholder comments on the 8 hour portion are due on Oct. 22, 2004.

Meeting attendees

TCEQ, Air Permits Division
 Advisory Group on 8 Hour Ozone and New Source Review
 Oct. 8, 2004
 9:00 am
 TCEQ Austin Campus, Bldg E, Room 201S

Sign-In Sheet

Attendee Name	
David Nelush	EP
Whit Swift	B
Carole Stapper	URS
Chris Bauer	Ward & A
Ruben I. Velazquez	AB&S
Dick Robertson	TXU
Paul Coon	TRU
Tim Prince	Prince Env.
Jan Day	Celanese
Steve Langevin	JDC
Russell Woznick	Dow
Steve Hansen	Shell
Vineet Masurkar	Trinity
Keith Courtney	Jensen & Gilchrist

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Sign-In Sheet

Attendee Name	
Ed Fiesinger	Zephyr
Jim Myers	RMT
Wayne Davis	RMT
Cecil Sterling	Scopus
Danny Hearn	WCM
Angili Sabharwal	Lynndell/Equistar
Elaine Smith	Env. Def
Joel KUSH	TX GENCO
Derek Furstenwerth	Reliant Energy
David Christensen	Chemical Lia
Patrick Mullin	Exxon Mobil
Dan Parrish	TRC
Scott Hyden	BP
CHRIS THIELE	Vincent Elkins
Steve Moore	BP

Sign-In Sheet

Attendee Name	Company/O
Moraima Grinnell	ExxonMobil
GARY NICHOLS	WESTWARD EN.
Pam Gebler	BAKER BOTTS
Marc Phillips	Cross Country Energy
ROD JOHNSON	Brown McCanoll LLC
Manish Singh	El Paso Corp.
PAT SHERWIN	Chevron Refining
Paul Despres	ERM
Craig Barber	Chemical Lime